

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3128-01  
Bill No.: SB 680  
Subject: Creates the Missouri Council on Obesity Prevention and Management.  
Type: Corrected#  
Date: February 20, 2002  
 # Agency sent corrected response.

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$17,450)	(\$32,458 to \$110,458)	(\$1,800)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$17,450)</b>	<b>(\$32,458 to \$110,458)</b>	<b>(\$1,800)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>(\$0 to \$19,500)</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 5 pages.

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**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Missouri Consolidated Health Care Plan, Missouri Highway Patrol, Department of Highways and Transportation, Missouri House of Representatives, Coordinating Board for Higher Education, Missouri Department of Conservation, Department of Mental Health, and Department of Elementary and Secondary Education** assume the proposed legislation will not fiscally impact their organizations.

Officials from the **Department of Insurance (INS)** stated the director of the INS will participate on the council without payment. There should be minimal impact to the INS.

Officials from the **Department of Social Services - Division of Medical Services (DOS-DMS)** stated the proposed legislation creates the Missouri Council on Obesity Prevention and Management. There is no impact to the DMS since this Council is created within the Department of Health and Senior Services (DOH). The DMS assumes that data requested by the DOH on obesity could be provided with existing staff and resources.

Officials from the **Missouri Senate** stated any costs associated with the proposed legislation could be absorbed in current appropriations.

# Officials from the **Department of Health and Senior Services (DOH)** provided the following assumptions:

**MISSOURI COUNCIL ON OBESITY PREVENTION AND MANAGEMENT (3 years combined \$51,708)**

The assumptions and methodology used in arriving at the fiscal impact for the creation of the Missouri Council on Obesity Prevention and Management are as follows:

Costs associated with the council will be for contractual services, printing costs, travel, and meeting expenses.

**Contractual Costs:** To collect and analyze data to evaluate the economic, social, and medical impact on the state for failure to treat obesity. **\$10,000 Year One, \$25,000 Year Two**

**Printing Costs: \$250 Year One, \$258 w/3% inflation in Year Two**

**ASSUMPTION** (continued)

**Meeting Costs: \$7,200** (\$75 round trip mileage per person and \$45 meals for 15 council

members for quarterly meetings (10 months in year one, full year in year 2. The remaining council members are state employees).

**CREATING HEALTHY SCHOOL NUTRITION ENVIRONMENTS \$78,000**

The methodology used in arriving at the fiscal impact for schools and school districts to create a healthy school nutrition environment is based on the assumption that the department will continue to take the lead on school-based nutrition education activities.

**Contractual Services: \$78,000 One-Time Cost**

The department will award 15 contracts to schools or school districts by competitive bid of a maximum amount of \$5,200 each for 1 year with a 25% in-kind match requirement to create healthy school nutrition environments.

**Oversight** is ranging Healthy School contractual costs since the maximum amount is \$5,200 for each school or school district with a 25% in-kind match requirement.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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**GENERAL REVENUE FUND**

Costs - Department of Health and Senior Services

Equipment and Expense	(\$10,250)	(\$25,258)	\$0
Contracts with Schools	\$0	(\$0 to \$78,000)	\$0
Commission Expense	(\$7,200)	(\$7,200)	(\$1,800)
Total <u>Costs</u> - Department of Health and Senior Services	(\$17,450)	(\$32,458 to \$110,458)	(\$1,800)
<b>NET ESTIMATED EFFECT ON GENERAL REVENUE FUND</b>	<b>(\$17,450)</b>	<b>(\$32,458 to \$110,458)</b>	<b>(\$1,800)</b>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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**SCHOOL DISTRICTS**

Costs - School Districts

In-kind match for contract	\$0	(\$0 to \$19,500)	\$0
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<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	<b><u>\$0</u></b>	<b><u>(\$0 to \$19,500)</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act creates the Missouri Council on Obesity Prevention and Management within the Department of Health and Senior Services. The council will exist until August 28, 2004, and duties will include: 1) Collecting data regarding obesity in Missouri; 2) Listing programs and services available to overweight children and adults; 3) Listing funds available for such services; 4) Collecting data to demonstrate economic impact of not treating obesity; 5) Identifying barriers to prevention and management of obesity; and, 6) Identifying recommendations to increase prevention and management.

The Council must coordinate with various federal and state departments to ensure a comprehensive approach to obesity prevention and management. A report must be submitted to the Governor and House and Senate appropriations committees by August 28, 2004. The Council will consist of twenty-one members and must meet by October 1, 2002, and at least quarterly thereafter. The director of the Department of Health and Senior Services will be the chair. By January 1, 2003, the Department must establish a resource databank containing information about obesity and related subjects.

In addition, subject to appropriations, school districts must undertake initiatives to create healthy school nutrition environments, which are defined as those in which nutrition and physical activity are emphasized in school and at home. Districts should include quality school meals based on USDA dietary guidelines, other healthy food options, relaxed eating experiences, nutrition education, and appropriate marketing.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

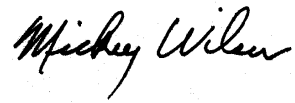
SOURCES OF INFORMATION

Coordinating Board for Higher Education  
Department of Elementary and Secondary Education  
Department of Highways and Transportation

HW-C:LR:OD (12/01)

L.R. No. 3128-01  
Bill No. SB 680  
Page 5 of 5  
February 20, 2002

Missouri Consolidated Health Insurance Plan  
Missouri Department of Conservation  
Missouri Highway Patrol  
Missouri House of Representatives  
Department of Social Services  
Missouri Senate  
Department of Health and Senior Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, slightly slanted style.

Mickey Wilson, CPA  
Acting Director  
February 20, 2002